



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

March 27, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2nd Regular Session, which I signed on March 27, 2018:

HB 2034 social security; state agency designation (Livingston)
HB 2053 sexual acts; theft by extortion (Syms)
HB 2078 political subdivisions; candidate committee (Finchem)
HB 2085 schools; emergency epinephrine administration (Carter)
HB 2168 mobile homes; recreational vehicles; fund (Coleman)
HB 2190 county improvement districts; repayment agreements (Mitchell)
HB 2243 wrong-way driving; violation; DUI (Farnsworth, E.)
HB 2247 criminal justice commission; reporting requirements (Farnsworth, E.)
HB 2312 setting aside conviction; requirements (Farnsworth, E.)
HB 2404 taxidermy; registry (Mosley)
HB 2460 charter schools; vacant buildings; equipment (Leach)
HB 2461 zoning regulations; private schools (Leach)
HB 2633 pharmacists; controlled substances (Cobb)
SB 1375 contractor licensure (Fann)
SB 1423 common school districts; lapsing; procedure (Griffin)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed House Bill

FILED

MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 77
HOUSE BILL 2078

AN ACT

AMENDING SECTIONS 16-905, 16-928 AND 16-931, ARIZONA REVISED STATUTES;
RELATING TO CAMPAIGN CONTRIBUTIONS AND EXPENSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 16-905, Arizona Revised Statutes, is amended to
3 read:

4 16-905. Committee qualification; requirements; exemption;
5 adjustments

6 A. A candidate for election or retention shall register as a
7 candidate committee if the candidate receives contributions or makes
8 expenditures, in any combination, of at least one thousand dollars in
9 connection with that candidacy.

10 B. FOR CITY AND TOWN ELECTIONS, A CANDIDATE FOR ELECTION OR
11 RETENTION SHALL REGISTER AS A CANDIDATE COMMITTEE IF THE CANDIDATE
12 RECEIVES CONTRIBUTIONS OR MAKES EXPENDITURES, IN ANY COMBINATION, OF AT
13 LEAST FIVE HUNDRED DOLLARS IN CONNECTION WITH THAT CANDIDACY.

14 ~~B.~~ C. An entity shall register as a political action committee if
15 both of the following apply:

16 1. The entity is organized for the primary purpose of influencing
17 the result of an election.

18 2. The entity knowingly receives contributions or makes
19 expenditures, in any combination, of at least one thousand dollars in
20 connection with any election during a calendar year.

21 ~~C.~~ D. A filing officer or enforcement officer shall make a
22 rebuttable presumption that an entity is organized for the primary purpose
23 of influencing the result of an election if the entity meets any of the
24 following:

25 1. Except for a religious organization, assembly or institution,
26 claims tax exempt status but had not filed form 1023 or form 1024 with the
27 internal revenue service, or the equivalent successor form designated by
28 the internal revenue service, before making a contribution or expenditure.

29 2. Made a contribution or expenditure and at that time had its tax
30 exempt status revoked by the internal revenue service.

31 3. Made a contribution or expenditure and at that time failed to
32 file form 990 with the internal revenue service, or the equivalent
33 successor form designated by the internal revenue service, if required by
34 law.

35 4. At the time of making a contribution or expenditure was not
36 registered with the corporation commission if required by law.

37 5. At the time of making a contribution or expenditure was
38 registered with the corporation commission but was not in good standing.

39 ~~D.~~ E. A fund that is established by a corporation, limited
40 liability company, labor organization or partnership for the purpose of
41 influencing the result of an election shall register as a political action
42 committee.

43 ~~E.~~ F. An entity may register as a political party committee only
44 as prescribed in chapter 5 of this title.

1 ~~F.~~ G. A committee is not subject to state income tax and is not
2 required to file a state income tax return.

3 ~~G.~~ H. The dollar amounts prescribed by SUBSECTIONS A AND C OF this
4 section shall be increased every two years pursuant to section 16-931.

5 Sec. 2. Section 16-928, Arizona Revised Statutes, is amended to
6 read:

7 16-928. Filing officer; statements and reports

8 A. A person ~~who~~ THAT is required to file any statements and reports
9 required by this article and articles 1, 1.1, 1.2, 1.3, 1.5, 1.6 and 1.7
10 of this chapter shall file with the filing officer in charge of that
11 election, as follows:

12 1. The secretary of state is the filing officer for statewide and
13 legislative elections, including retention elections for supreme court
14 justices and court of appeals judges. The secretary of state is also the
15 filing officer for committees that support or oppose a recall election or
16 the circulation of a petition for a recall election for a statewide or
17 legislative officeholder, for committees that support or oppose a
18 statewide initiative or referendum or other statewide ballot measure,
19 question or proposition or the circulation of a petition for a statewide
20 initiative or referendum or other statewide ballot measure, question or
21 proposition.

22 2. The county officer in charge of elections is the filing officer
23 for county, school district, community college district and special taxing
24 district elections, including retention elections for superior court
25 judges. The county officer in charge of elections is also the filing
26 officer for committees that support or oppose a recall election or the
27 circulation of a petition for a recall election for an officeholder of a
28 county office, a school district governing board office, a community
29 college district governing board office or a special taxing district
30 governing board office, for committees that support or oppose a county,
31 school district, community college district or special taxing district
32 initiative or referendum or other ballot measure, question or proposition,
33 including bond, tax, budget and budget override measures or that oppose or
34 support the circulation of a petition for a county, school district,
35 community college district or special taxing district initiative or
36 referendum or other county, school district, community college district or
37 special taxing district ballot measure, question or proposition.

38 3. The city or town clerk is the filing officer for city and town
39 elections. The city or town ~~officer in charge of elections~~ CLERK is also
40 the filing officer for committees that support or oppose a recall election
41 or the circulation of a petition for a recall election for a city or town
42 officeholder, for committees that support or oppose a city or town
43 initiative or referendum or other city or town ballot measure, question or
44 proposition or the circulation of a petition for a city or town initiative
45 or referendum or other city ballot measure, question or proposition.

1 B. Notwithstanding subsection A of this section, a standing
2 committee shall ~~only~~ file reports ONLY with the secretary of state.

3 C. A filing officer shall provide the option for electronic filing
4 and shall make all statements and reports publicly available on the
5 internet. A filing officer may comply with this section by opting into
6 the secretary of state's electronic filing system ~~and paying a fee as~~
7 ~~determined by the secretary of state.~~

8 Sec. 3. Section 16-931, Arizona Revised Statutes, is amended to
9 read:

10 16-931. Biennial adjustments; committee registration;
11 contribution limits

12 A. In January of each odd-numbered year, the secretary of state
13 shall increase:

14 1. The committee registration thresholds specified in section
15 16-905, SUBSECTIONS A AND C by one hundred dollars.

16 2. The contribution limits specified in article 1.2 of this chapter
17 by one hundred dollars.

18 B. The secretary of state shall publish the revised amounts and
19 make the amounts available to election officials, candidates, committees
20 and the public.

APPROVED BY THE GOVERNOR MARCH 27, 2018

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 27, 2018



Passed the House February 15, 20 18

by the following vote: 59 Ayes,

0 Nays, 1 Not Voting

W. R. Engle
Speaker of the House

☒ Pro Tempore

Jim Doherty
Chief Clerk of the House

Passed the Senate March 21, 20 18

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

John B. Goodenough
President of the Senate

Susan Owens
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill received by the Governor this

_____ day of _____, 20____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill received by the Secretary of State

this _____ day of _____, 20____

at _____ o'clock _____ M.

Secretary of State

H.B. 2078

Passed the House March 22, 20 18,

by the following vote: 57 Ayes,

1 Nays, 2 Not Voting

Mark R. Beggs
Speaker of the House
Pro Tempore

Janie Drake
Chief Clerk of the House

Passed the Senate _____, 20____,

by the following vote: _____ Ayes,

_____ Nays, _____ Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

22nd day of March, 20 18,

at 3:31 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 27th day of

March, 20 18,

at 10:57 o'clock A M.

[Signature]
Governor of Arizona

HB 2078

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 27 day of March, 20 18,

at 1:32 o'clock P. M.

[Signature]
Secretary of State